LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

FISCAL IMPACT STATEMENT

LS 7883 DATE PREPARED: Jan 23, 2001

BILL NUMBER: SB 509 BILL AMENDED:

SUBJECT: Public Records and Recording Fees.

FISCAL ANALYST: John Parkey PHONE NUMBER: 232-9854

FUNDS AFFECTED: X GENERAL IMPACT: State

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill adds the Public Access Counselor and the Director of the Data Processing Oversight Commission to the members of the Oversight Committee on Public Records. The bill requires the Oversight Committee on Public Records to establish a fee schedule for services provided to customers of the Commission on Public Records.

The bill increases the supplemental fee for recording a document with the county recorder from \$3 to \$5, and provides that \$1 of the fee goes to a Local Government Preservation Account within the State General Fund to provide money for the preservation of local government public records. The bill establishes the Local Government Records Advisory Council to make recommendations to the Commission on Public Records concerning grants from the Local Government Preservation Account.

Effective Date: July 1, 2001.

Explanation of State Expenditures: This bill creates the seven-member Local Government Advisory Council to make recommendations to the Commission on Public Records to make grant recommendations as to the distribution of funds from the Local Government Preservation Account, also created by the bill (See State Revenues, below). Excluding the ex officio members and members who are state employees, members of the Commission would be entitled to receive per diem and traveling expenses. The current applicable per diem is \$50, while travel costs are paid at \$0.28 per mile. Assuming that five members were entitled to receive the per diem and that the average distance traveled is 100 miles each way, each meeting of the Council would cost approximately \$530. It is not known how frequently the Council would be required to meet. It is assumed that these expenses will be paid from the Local Government Preservation Account.

Explanation of State Revenues: This bill raises the supplemental recording fee paid to county recorders from \$3 to \$5. One dollar of the increase would be deposited into the Local Government Records Preservation Account, a General Fund account created by this bill. It is estimated that the account will receive approximately \$800,000 to \$900,000 each year, as a result of the fee increase. The account will be

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administered by the Indiana Commission on Public Records with guidance from the Local Records Advisory Council (See State Expenditures, above). Grants distributed through this account would be used to assist local governments with the management and preservation of legal and historical deeds and other permanent records. Money in the Local Government Preservation Account would not revert at the end of the fiscal year.

Explanation of Local Expenditures:

Explanation of Local Revenues: This bill raises the supplemental recording fee paid to county recorders from \$3 to \$5. Of the \$2 increase, \$1 would be deposited into the Local Government Records Preservation Account. The remaining dollar would be used, as is revenue currently generated by the fee, by county recorders to assist in the preservation of records and the improvement of record keeping systems. The dollar increase dedicated for local use is expected to generate approximately \$800,000 to \$900,000 in additional revenue for counties.

<u>State Agencies Affected:</u> Indiana Commission on Public Records; Public Access Counselor; Data Processing Oversight Commission.

<u>Local Agencies Affected:</u> County Recorders; Local entities receiving grants from the Local Government Records Preservation Account.

Information Sources: Gerald Handfield, State Archivist, 232-3373.

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